

June 19, 1980

Memo to File - Discussion with Jack Whitehead and Stuart Pearce
on June 19, 1980

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Just

We started looking at models both of what recruitment would be like and of the different kinds of relationship that might ensue. With respect to the former we eventually came to the agreement that the three year hiatus between starting and finishing the institute building would be very awkward from the point of view of a director and that we probably would have to find a way to provide temporary laboratory facilities. So Jack thought that they would want to pay for the renovation of space for laboratory use for somebody like Y. W. Kan for a period of three years and that the residual value of the renovation versus the lease hold fee would be included in the general quid pro quo that we would want to think about. I did not want to offer space other than that but of course there are other options for renovation to be thought about in similar terms. As far as possible the physical layout of the renovated area should match that of the laboratories in the building to be constructed so as to simplify the move when it happens.

I'm still instructed to go ahead with an attempt to recruit Y.W. Kan: the next step would be to try to arrange a meeting in San Francisco with myself, Kan and Jack. I will call him from Palo Alto. He should be returning to his laboratory approximately when I get there.

Ditto with trying to get a meeting here with David Baltimore if that can be done before I leave.

As to the quid pro quos Jack was still somewhat fixated on the idea that if they built the library that would be a sufficient reimbursement to us. I told ~~him~~^{them} that we had pretty well backed off the idea of a major edifice for that purpose that we really did have to keep the question of the library totally separate from their coming in with a building. They're still inclined to the idea that they might build space for the use of the Rockefeller University within their institute as the major form of quid pro quo to us for the use of the land. I was not too encouraging about that. The idea that they would have to pay ground rent was a new one for them and I think may be a significant obstacle to their going ahead. I had already told Jack before that that I was more concerned that he find a satisfying location for his investment than that it had to be located here. But that in trying to broker the situation I would be looking for ways in which dollars invested could do double duty from the standpoint of both the Rockefeller and the Whitehead Institute. To illustrate that point I mentioned ~~dr~~ transferring ground rent dollars into endowments for professors who would be working at the Institute; the other would be the residual value of a building on a lease for a limited term of years. Jack was not too happy about that idea. He thought they would be walking on eggs for their entire existence but I asked him not to reject it categorically.

I was not willing to offer any numbers with respect to the magnitude of expected ground rents or sale price stating that it would be a disservice to all of us to have such figures before we were in a position to back them up. I would probably want to have somebody like Dick Dilworth present at any conversations in which the giving

of University assets was such a consideration.

I think that he does still remain interested. When options for space were reviewed he was even more enthusiastic about the frontage between 65th and 66th Street although knowing that we have to find some way to accommodate the concerns of the GSR existing residents and of course a tennis court. We also brought up problems of housing and I agreed that we would make every effort to work with them in a submission to the State Dormitory Authority for funding.

They will want more information and I promise to furnish it: zoning problems, a set of ground plans of the overall University so they could size things out a little better; any borings that there may be to show sub-soil conditions at the various prospective sites; the feasibility of the former animal house with respect to the potential costs of renovation for laboratory use. Besides what we can provide directly we should brief Squire Bozorth and Max Abramovitz to make any factual information freely available to them in direct conversation.

Finally, I said I would do what I could to check out Martin Raff.